

## **NORFOLK, VIRGINIA**

### **SPECIAL SESSION OF COUNCIL**

**SEPTEMBER 23, 2013**

President Fraim called the retreat to order at 8:55 a.m. with the following members present: Mr. Burfoot, Mr. Smigiel, Dr. Whibley, Ms. Williams, Mr. Winn, Mr. Riddick and Mr. Protogyrou.

He commented on the book, Metropolitan Revolution and its relevance to the operations of municipal government and its creativity and role in the economy.

The City Manager offered introductory comments on the content of the agenda, drawing attention to the city's six priorities.

### **FY 2013 PRELIMINARY YEAR END AND FY 2014 CHALLENGES**

The City Manager reported:

- Expenditures for the FY2013 were \$23.46 million less than budgeted with a total of \$33.1 million year end resources.
- After carry forward and other designations for FY2014, there is an undesignated fund balance of \$3 million, contingent on audit.
- Schools projected to have \$900,000 from FY2013 available for reappropriation.
- Local tax revenues are holding their own or increasing.
- FY2014 challenges include:
  - Expenditures exceed resources if the \$19.6 million carry forward is factored out.
  - Debt service will be a couple of million more in FY2015

- FY2015 preliminary budget gap is \$20 million exclusive of a salary increase.
- There may be a need to retain professional services to calculate the city's infrastructure backlog.

## **COMPENSATION STRATEGY DISCUSSION**

- Compensation challenges include no raises from 2009-2012; a rigid step system; increasing benefits costs; compression and trouble retaining some employees.
- 71 of 254 job classifications are more than 6% below market.
- Norfolk is the only locality to use a step system for general employees.
- Preliminary considerations include: 1) eliminating steps for general employees; 2) maintain step system for sworn personnel;
- Another consideration is to give all employees hired before July 1, 2010 a 5% increase and add a 5% contribution to retirement.
- Also being considered is curing the salary discrepancies of certain positions.
- Also being considered is DROP program for sworn officers.
- Another consideration is a voluntary retirement incentive for eligible employees. There are 102 eligible employees; amount would be \$10,000.
- Finally, efforts will be made to address the compression issue.
- The total cost to implement all considerations over two budget years is \$6.4 million.

## **NORFOLK PUBLIC SCHOOL DISCUSSION**

School Board Vice Chair Brad Robinson offered opening remarks.

Dr. King commented as follows:

- Too many children are reading below grade level. Measures are in place for interventions in elementary school for grades 4-6 in literacy and a safety net policy for grades 1-3 to ensure literacy achievement. He noted there is now a parental initiative and early learning focus for children from low income families.

Mr. Riddick commented on the need for a 24 hour day care center.

Council consensus was to work with the school system to close the gap of children who are wait listed for PreK.

Council also discussed with the superintendent developing teacher housing or teacher communities. The superintendent commented it would be a positive recruiting tool. Mayor Fraim asked to see several models of the concept.

On facilities needs, Maury High is under review for modifications and improvements. Water is leaking through the façade and the high end estimate to repair the exterior is \$6.1 million. The concern is the cost could escalate significantly once the walls are open and could range upwards of \$24 million.

Dr. King stated Ruffner and Lafayette-Winona are on the list for takeover by the State. NPS has developed a transformation plan for them and eight other schools and it remains to be seen how the State will receive the plan. School curricula are now available on the NPS website and there is on-going evaluation of progress in the classroom.

Mr. Winn asked is NPS is looking at retirees to come back as tutors and at using Teach American program participants.

Mr. Riddick asked about the Magic Johnson initiative. Superintendent King responded the open campus is intended to reach students who are behind and won't graduate on-time and students who have dropped out. The company selected to operate the open campus school has an affiliation with Magic Johnson Bridgescape.

Dr. Whibley asked for a school construction update and who will build them. Mr. Robinson stated the City and NPS construction committees are working together with the City taking the lead on school construction. He said Campostella Elementary is closed and students are attending classes at J J Roberts Elementary.

## **SAFE, HEALTHY AND INCLUSIVE COMMUNITIES**

Chief of Police Michael Goldsmith reported:

- NPD conducts community outreach through attending civic league meetings.
- Crime View Community is on-line resource to view criminal activity in neighborhoods.
- Social media is being utilized for communication.
- Business Watch works with businesses and property managers.
- Youth Academics are utilized for outreach to young people along with the Police Athletic League, outreach through NRHA football and basketball, through chess, weightlifting and soccer, through reading in the schools, Criminal Justice Explorers Academy, Citizens Police Academy, Crime Prevention Awards.

Director of Communications, Bob Batcher reported on community engagement activities.

Director of Homelessness, Michael Wasserberg reported to council an efforts to mitigate homelessness.

## **NEIGHBORHOOD PLANS**

- Funded plans are: Southside, Broad Creek, Fairmont Park and Wards Corner.
- For FY2014 there is \$4.25 million appropriated for neighborhood plans with no funding for FY2015. NRHA is providing \$2.1 million in FY2014 and \$2.5 million for FY2015.
- *PlaNorfolk 2030* retained 10 neighborhood plans.

Mr. Smigiel asked about the feasibility of creating tax increment financing districts in other neighborhood plan areas. Assistant City Manager, Ron Williams noted *PlaNorfolk* contains that provision.

## **REAL ESTATE TAX SUSTAINABILITY**

The City Manager reported as follows:

- Real estate tax is a significant source of local revenue, accounting for 25% of total revenue but the city loses \$122 million annually to nontaxable real estate.
- Real estate tax revenue has declined due to rate reductions and value declines.
- A concept was introduced for creating a ceiling and a floor for real estate tax revenue tied to value increases and inflation. In ensuing council discussion interest was expressed in the indexing proposal.

## **ST. PAUL'S AREA STUDY**

Assistant City Manager, Ron Williams reported as follows:

- The plan has been approved by the Planning Commission.
- It was part of the submission for a Rockefeller Grant.

Frank Duke, Director of Planning, reported as follows:

- Will ask council to hold public hearing on amending the *PlaNorfolk 2030* General Plan on October 8.
- Themes and guiding principles were reviewed.

Mayor Fraim expressed concerns that given the City's priorities the city may never get to a project the size of St. Paul's Quadrant for many years.

Mr. Riddick recommended shelving the plan for 10 years.

Mr. Burfoot suggested issuing an RFQ for the property to gauge private sector interest since they will be needed anyway because of their access to money that the city does not have.

## **BOARDS AND COMMISSIONS**

Information was presented on the number of boards and commissions and their genesis and a proposal to align them with council priorities, designate a council liaison for each priority and to reduce the number.

Mr. Smigiel presented a proposal he and Dr. Whibley developed that would assign council members to two major boards and one or two minor boards. He also presented a proposal for responding to the need for a proposal for policy change.

With no further business before the council, the Mayor adjourned the meeting for the day.

**NORFOLK, VIRGINIA**  
**SPECIAL SESSION OF COUNCIL**  
**SEPTEMBER 24, 2013**

President Fraim called the meeting to order at 8:30 a.m. with the following members present: Mr. Burfoot, Mr. Protogyrou, Mr. Riddick, Mr. Smigiel, Dr. Whibley, Ms. Williams and Mr. Winn.

The Manager reviewed the day's agenda.

**LEGISLATIVE AGENDA**

Ron Williams, Assistant City Manager, reviewed the City's legislative package for the upcoming General Assembly session, including federal legislative proprieties that include flooding, water, wastewater and transportation projects among others.

Mayor Fraim noted the regional successfully stopped the effort to expand the Hampton Roads Bridge Tunnel.

State proprieties include 1) establishing a joint study committee on coastal flooding; 2) a JLARC study on transportation funding allocations; 3) require VDOT to pay for deferred and on-going maintenance of all future public-private transportation projects; and 4) enact legislation to amend the City Charter.

Mr. Winn asked for legislation to rebalance the weighted voting on the board of Hampton Roads Transit.

Dr. Whibley expressed interest in changing the term of school board members from two to four years. Council consensus was to discuss this at another date.

Mr. Riddick suggested a bill to permit night court.

Mr. Protogyrou recommended talking with the bar and judges and clerks. The City Attorney stated no legislation is needed to hold night court.

State budget amendment requests were reviewed and discussed.

## **VISION SETTINGS FOR STRATEGIC MARKETING**

John Martin, President and CEO of the Southern Institute of Research, made a presentation to council on a vision for marketing the City.

## **CLOSED SESSION**

Motion for closed session was approved for purposes which are set out in **Clause 1** of subsection **(A)** of **Section 2.2-3711** of the Virginia Freedom of Information Act, as amended:

(1) Discussion of the performance of the City Attorney, City Clerk and City Manager.

Yes: Burfoot, Riddick, Smigiel, Whibley, Williams, Winn and Frain.

No: None.